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DRAFT REPORT OF THE STANDING COMMITTEE FOR PROGRAMME MATTERS ON ITS IN-SESSIONAL MEETING HELD DURING THE FORTIETH SESSION OF THE GOVERNING COUNCIL, 1-18 JUNE 1993

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Addendum

CHAPTER III. COUNTRY, INTERCOUNTRY AND GLOBAL PROGRAMMES

B. Asia and the Pacific

The Federated States of Micronesia, the Republic of the Marshall Islands, Vanuatu, Palau and the Pacific Multi-islands programme

1. The Assistant Administrator and Director, Regional Bureau for Asia and the Pacific (RBAP), introduced the country programmes for the Federated States of Micronesia, the Republic of the Marshall Islands, Vanuatu and Palau; and the Pacific multi-islands programme.

2. The first country programme for the Federated States of Micronesia (DP/CP/MIC/1) had net indicative planning figure (IPF) resources of $3.3 million. Resources would be concentrated on three main areas: (a) private-sector and entrepreneurship development; (b) economic management and public-sector policy reform; and (c) environmental management and sustainable resources use.

3. The first country programme for the Republic of the Marshall Islands (DP/CP/MAS/1) had net IPF resources of $2.1 million. Resources would be concentrated on three areas: (a) employment generation and training; (b) macroeconomic and financial management; and (c) sustainable resources management.

4. The third country programme for Vanuatu (DP/CP/VAN/3) had net IPF resources of $1.8 million. Resources would be concentrated on two areas: (a) management development and (b) balanced and sustainable regional development.

5. The first country programme for Palau (DP/CP/PLU/1) had net IPF resources of $538,000. Resources would be concentrated on two areas: (a) development policy and strategy and (b) sustainable resources management.

6. The first programme for the Pacific multi-islands (DP/CP/PMI/1) had IPF resources amounting to $4.4 million and an estimated regional IPF of $878,000. Resources would be concentrated on the development of equitable and sustainable human development.

7. In his presentation, the Assistant Administrator and Director, RBAP, pointed out that given the development constraints facing the small island States, the four country programmes reflected both commonality and diversity in the development needs to be addressed. The country programme areas of focus had been identified by the respective Governments in close collaboration with UNDP and in consultation with United Nations specialized agencies and other bilateral and multilateral donors. Given the limited IPF resources allocated, the need for concentration, focus and greater attention to potential impact were major considerations.

8. Referring to the Pacific multi-islands programme, the Assistant Administrator proposed that the fifth cycle IPF be programmed to reinforce the priority theme of equitable and sustainable human development, which was a feature of the Pacific subregional programme, approved by the Governing Council at its thirty-ninth session (1992).

9. The delegations of Vanuatu, the Marshall Islands and the Federated States of Micronesia confirmed and expressed their commitment to their respective country programmes. UNDP was commended for its assistance in the thorough and comprehensive preparation of the documents. The programmes addressed priority technical cooperation needs emanating from government development goals and policies and the strategies proposed reflected UNDP comparative advantages. They confirmed the need for continued UNDP support for effective aid coordination through the round-table process. They also voiced strong support for the Pacific multi-island programme, which fully complemented and reinforced country programme activities.

10. Delegations supported the four country programmes and joined the Pacific island country government representatives in confirming the importance of the Pacific multi-island programme, which addressed common needs of the Pacific island countries and would strengthen government efforts to promote community-based and self-sustaining development among the neediest sectors of the population, especially women, unemployed youth and those in rural and remote outlying areas.

11. Several delegations endorsed the thematic focus of the five programmes presented and emphasized the need for full consultation with bilateral donors in their formulation and implementation. They also encouraged the role of UNDP in supporting government aid coordination efforts through the round-table mechanism.

12. In reply, the Assistant Administrator thanked the delegations for their support for the programmes presented and their deep interest in them. The Pacific island countries should merit special consideration, given both the unique development constraints and opportunities. He reiterated the importance in the Pacific region of strengthening and expanding community-based participatory development, which the Pacific multi-island programme aimed to do through pilot programmes aimed at target groups and policy-level advocacy and support initiatives. The collaboration of all parties concerned was expected. He assured the Committee that UNDP would continue to work closely with the Governments in the implementation of the five programmes; the donor community would also be invited to collaborate.

13. The Committee recommended that the Governing Council approve the first country programme for the Federated States of Micronesia; the first country programme for the Republic of the Marshall Islands, and the first country programme for Palau. It also recommended that the Council approve the third country programme for Vanuatu and the first programme for the Pacific multi-islands.

Pakistan

14. The fifth country programme for Pakistan, with a net IPF of $89.7 million, was introduced by the Resident Representative. UNDP assistance under the fifth programme would focus on alleviating poverty and would be based on national strategies for rural and socio-economic development in four areas: (a) raising levels of human development, particularly of the poor, by supporting the country's social action programme; (b) supporting management of the environment and natural resources in accordance with the natural conservation strategy; (c) supporting income-generation, employment and productivity, including programmes aimed at improving the productivity of the poor; and (d) promoting institutional reforms to make national institutions more responsive to the needs of the poor. UNDP would provide further assistance in mobilizing and coordinating donor inputs for national programmes by developing programmes in a way to encourage other donors to fund parts of them and by developing management systems to coordinate implementation, monitoring and evaluation of multi-agency, multi-donor programmes.

15. In presenting the fifth country programme, the Resident Representative emphasized that the analysis of the impact of foreign assistance carried out in 1990 with UNDP support had revealed that external aid had contributed to a "human development impoverished Pakistan". The fifth country programme therefore addressed the need for more balanced development with the objective of supporting the Government's efforts to achieve a greater equilibrium between physical assets, natural resources development and investment in people. He stressed that UNDP was encouraging the Government to take the lead in managing the programme, noting, in particular, the activities in remote area development. UNDP was leading a task force on improving institutional responsiveness to the needs of the poor. He also pointed out that the programme was linked to the United Nations inter-agency programme for Pakistan, which consisted of a six-point common agenda for United Nations assistance to Pakistan. He concluded with a plea for more resources and more partners in fostering balanced development, noting that projected growth rates in UNDP resources had not been

met, leaving little room for implementing the fifth cycle agenda and for translating rhetoric into action. He stressed, nevertheless, that the fifth programme had served as a centrepiece for the re-evaluation of development in Pakistan.

16. Delegations thanked the Resident Representative for his presentation and indicated their strong overall support for the programme as presented. Several delegations supported the areas of concentration chosen, noting that they were areas where UNDP had a comparative advantage and that in formulating them, good use had been made of lessons learned in previous cycles. While supporting the programme, other delegations emphasized that it would be challenging to implement, particularly in the area of outreach to small farmers and entrepreneurs, and looked forward to learning of the initial results at the mid-term review. Efforts to improve the condition of, and opportunities for, women were commended, as was the support for the national conservation strategy. Most delegations were in favour of the support given to the social sectors and suggested that implementation in that area be given priority. One delegation supported the thrust towards institutional development but suggested that it needed to benefit the poorest in society.

17. Questions were raised by several delegations on why drug abuse control problems, the high proportion of defence spending in the national budget and the low absorptive capacity for capital/investment assistance had not been addressed. One delegation asked for clarification on the proposed development scheme for remote areas; another questioned the usefulness of the programme matrix, which showed linkages in all areas of concentration.

18. Several delegations commended the coordinating role played by UNDP, and it was noted that intellectual leadership and a focus on critical development issues seemed crucial for achieving such coordination. Moreover, coordination of United Nations system activities offered a good opportunity to support human development goals.

19. The Secretary of Planning of Pakistan said that UNDP played a vital role in Pakistan, particularly in addressing the dichotomy between economic growth and poor social sector performance. He stated that the delivery of services to the social sectors still faced problems because of a lack of incentives, in spite of the fact that his Government had tripled contributions to social sectors within the last few years. Lack of incentives for workers in the social sectors slowed delivery of services. He pointed out that a number of developments in the region had not yet permitted drawing on the "peace dividend". He stressed, however, that repayment of the national debt now surpassed expenditures on defence. He further emphasized that the World Bank's structural adjustment programme had resulted in limitations to the growth of Pakistan's development budget and as a consequence there were insufficient counterpart funds for the full implementation of capital/investment assistance. He drew attention to the apparent dichotomy between the appreciation expressed for the commendable role of UNDP in fostering balanced human development in his country and the declining resources being made available for that purpose.

20. The Committee recommended that the Governing Council approve the fifth country programme for Pakistan.

Philippines

21. In introducing the fifth country programme for the Philippines (DP/CP/PHI/5), with a net IPF of $40.3 million, the Resident Representative highlighted its integrated programme themes: (a) economic reform and management; (b) technology transfer and international competitiveness; (c) environmental management; and (d) poverty alleviation. He stated that the programme converged with the country's national development plan and was the result of a long, extensive consultative process involving various government ministries; United Nations agencies, including the World Bank and the International Monetary Fund; other donors; non-governmental organizations (NGOs); and the private sector. The country programme was based on lessons learned during the fourth cycle and on the comparative advantages of UNDP.

22. One delegation noted that the programme was moving in the right direction and that its areas of concentration were consistent with UNDP priorities. Successful implementation would, however, require better coordination. Another delegation found the programme to be well focused. While commending the strategy to intervene at micro and macro levels, including emphasis on the pilot testing of innovative approaches at the grass-roots level, delegations suggested that the programme appeared ambitious in the area of national capacity-building - an issue that should be examined during the mid-term review.

23. The Secretary of Socio-Economic Planning and Director-General of the National Economic Development Authority informed the Committee that the Government appreciated the important role of UNDP, particularly in light of its valuable commercial and political neutrality. He assured delegations that although the programme seemed ambitious, the Government intended to focus on a few strategic, high-impact activities.

24. The Committee recommended that the Governing Council approve the fifth country programme for the Philippines.

Assistance to Cambodia

25. The Assistant Administrator and Director, RBAP, gave an oral report on the status of UNDP assistance to Cambodia as provided for in the note by the Administrator (DP/1992/56), which was before the Governing Council at its thirty-ninth session (1992). He pointed out that in its decision 92/25 of 26 May 1992, the Council authorized the Administrator to approve assistance to Cambodia on a project-by-project basis up to $40 million for the period through 31 December 1993. He described activities carried out by UNDP in Cambodia and noted that following the elections UNDP would be examining with the new Government needs for technical cooperation in the reconstruction phase and would begin preparation of a country programme for Cambodia.

26. One delegation expressed support for the work of UNDP in Cambodia.

27. The Committee recommended that the Governing Council take note of the oral report of the Assistant Administrator.